

# GPD

## ECONOMIC CRIMES UNIT

GAHANNA DIVISION OF POLICE

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## CHECK FRAUD MANUAL





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## Unit Commander's Message

Lieutenant Jeffrey B. Spence

Gahanna Division of Police

Over the past three years, the City of Gahanna has experienced a dramatic increase in the number of reported economic crimes. With advances in computer technology and Internet accessibility, the tools used to commit these crimes are now readily available to those who would abuse them for personal gain. Additionally, the low cost of computer hardware and software programs of unparalleled quality and simplicity have further added to the problem. The novice computer user can now reproduce documents with alarming quality and speed that, in days past, would take a much more experienced and skilled individual.

The Gahanna Division of Police has taken great strides to identify and combat the rising trend of economic crimes. The Division cannot investigate all crimes that occur within our jurisdiction and must prioritize its efforts in order to maximize the services it delivers to the community as a whole. New legislative requirements pertaining to economic crime and identity theft further complicate, and place enormous demands on an already over-burdened criminal justice system. Our efforts in developing and instituting policies that affect economic crime reporting are geared to maximize our investigative resources while lessening the demands placed upon the criminal justice system.

It is my intent to provide the best possible level of customer service to merchants and financial institutions conducting business within the City of Gahanna. This policy is a living document that will change as the landscape of economic crime changes with time. We welcome your input and suggestions to better our service to the community and our effectiveness in combating the rising tide of economic crimes and criminals that plague our society. Together, we can work to reduce the impact that economic crime has on all of us. Please feel free to contact me at any time with your questions, compliments or concerns.

Lieutenant Jeffrey B. Spence  
Gahanna Division of Police



## Current Trends

Beginning in November 1999, with the implementation of the Identity Theft legislation, workloads for the police have steadily increased. Each forgery at a bank or merchant now has the potential of becoming a separate Identity Theft investigation for each victim. Criminal Justice experts have predicted that in the next decade, Identity Theft will increase by more than 100%, which will prove to burden the police and courts beyond their limits. Police agencies will simply not have enough officers to take the initial reports or investigate the number of economic crime reports being filed. Because of this trend, police agencies are combating the problem with educational programs for merchants and consumers and requiring stricter procedures for investigating and prosecuting cases.

This policy will become effective October 1, 2002. As a police agency, we must realize the scope and limitations of this policy. Changes may occur over time as new issues arise or discrepancies are observed. The ultimate goal is to identify persons responsible for criminal offenses and prosecute them in a court of law. It is, however, exceptionally difficult to have a successful prosecution without substantial physical evidence. Believing or even "knowing" a suspect is guilty is not the same as being able to prove a person's guilt. The decision requiring a fingerprint be affixed to fraudulent documents has been extensively researched and widely supported. The easiest way to obtain a fingerprint from a consumer with minimal effort is through the use of an "inkless" print.

The impact a simple fingerprint can add to an investigation is tremendous. The Columbus Ohio Division of Police has approximately 200,000 persons in the Automatic Fingerprint Identification System (AFIS). When linked to the Bureau's of Criminal Investigation and Identification (BCI & I), a single fingerprint can be compared to nearly two million people. Beyond the obvious boost to a criminal investigation, there are numerous underlying advantages to inkless prints.

- They are full prints similar in quality to an inked print that AFIS is searching against.
- The search against an inkless print may take only minutes, unlike latent prints that take hours.
- Interrogations are more productive when a suspect's fingerprint is present.
- Suspects are more willing to provide additional information when confronted with positive proof of their guilt.
- When combined with an expert opinion in the field of handwriting, substantial evidence can prove to the jury a person's guilt.
- Plea agreements are more successful which reduce required court appearances by employees of the company filing a forgery report, witnesses and even investigators. This avoids paying employees to sit for hours in a courtroom disrupting normal business operations.



Finally, this is a community service. Challenging citizens to assist the police in enforcement efforts is timeless. Community policing is a term used frequently and the Gahanna Police have implemented their version of this concept. In short, the police can not be all things to all people and in all places at the same time. Community involvement is the key to reducing crime. If all we ask of the public is to place a fingerprint on a document, community members must be willing to do their part. We are not asking citizens to take any risk, nor do we want them to. We are simply asking citizens to work with us to reduce a crime that is costing the community millions of dollars.

## Facts and Figures

Check fraud and counterfeiting are among the fastest growing problems affecting the nation's financial system, and the loss is increasing each year.

Experts estimate that the banking industry faces more than \$1.2 million in worthless checks in the banking system each day.

The FBI estimates that if commercial banks and other institutions combined their check fraud losses, the total would be \$12 billion to \$15 billion annually.

Between 1981 and 1991, the number of counterfeit check cases investigated by the FBI increased from 1,825 to 26,931 or 1,300 percent. The next ten years produced an even higher percentage and continues to climb.

**In 1992, banks lost \$63.4 million due to armed robberies. Fraud losses were in excess of 4.2 billion!**

Thirty-five percent of identity theft victims became aware of the theft within one month. However, some victims were unaware of the theft for as long as five years. The average amount of time between the date the identity theft occurred and the date it was noticed by the victims was 14 months.

Twenty-five percent of identity thefts results in the thief establishing cell phone service with the victim's stolen account information.

*Checkmate Electronics* estimates that cumulative check fraud will exceed \$254 billion by 2005. No gun, no mask, no violence...just a computer and a pen!



## Policy Overview

### *Introduction*

The Economic Crimes Unit has experienced staggering increases in offense reports in the past decade. In 1999, fraud and forgery became prevalent enough to require a full time detective to be assigned. Currently Gahanna investigates approximately 25 new cases of fraud, forgery, passing bad checks and identity theft each month and each year the numbers are rising.

### *Mission Statement*

The Gahanna Ohio Division of Police is dedicated to concentrating our available resources on assigned financial crimes that will logically result in an identification of person(s) responsible and the successful pursuit of felony criminal charges in the local court system.

### *Strategies*

Available resources will be predominantly assigned to offense reports having identifiable suspects.

### *Fraud Cases*

In order to investigate a Fraud case for a citizen, cooperation is required by banks and merchants. Investigators must be provided the original documentation in a timely manner.

### *Investigations Procedures*

Reports will be entered into the department's database and the bureau's Case Trace to compile information for subsequent investigations and linkages of career criminals and crime trends. Investigations will only commence following the Unit Supervisor's review and assignment of the report. Assignments will be based upon solvability factors.

### *Long Term Investigation Policy and Procedure*

Most reports assigned to the Economic Crimes Unit have the potential to turn into a long-term investigation. Investigations approved for a long-term focus will be closely monitored and rigid timelines for progress followed.

#### **OBJECTIVE 1: System of administration and progressing of assigned offense reports.**

- Available resources will be predominantly assigned to offense reports having identifiable suspects.
- Checks having an inkless fingerprint will be investigated. If the suspect's photograph is obtained by the merchant, that fact in combination with other evidence, will be considered to determine the solvability factors of the case.



In support of OBJECTIVE #1, the Bureau of Investigations and Standards will establish and implement procedures for assigning reports based on solvability factors while educating potential victims to gather and preserve needed evidence to benefit the criminal investigation.

## OBJECTIVE 2: Case Screening Methods

### Assignment of Offense Reports

- All on-view arrests will be thoroughly investigated and processed regardless of dollar loss.
- Reports involving a dollar loss of \$500.00 or less will not be assigned to a detective unless the questioned document includes an inkless fingerprint of the person presenting the document.
- The exception will be a report that can be logically linked to other reports already being investigated based on account number, account name, and verifiable suspect information.

### *Identity Theft Procedures*

- Successful investigation of this crime mandates cooperation from the victim and the merchant/bank involved.
- Criminal charges for an Identity Theft will typically be filed only in conjunction with an accompanying charge, i.e. forgery.
- When a report is made involving the theft of a person's identity, the victim will be responsible for obtaining or arranging for the original documentation to be sent to the investigator.
- Receipts for items released to investigators will be available upon request by merchants or banks for all property turn over to detectives for evidence.
- Should an Identity Theft victim, merchant or bank fail to submit the requested documents in a timely manner, the investigation will be closed. If it is a merchant or bank that fails to submit the information, the victim will be notified prior to closing the case.
- Investigations closed because the victim, merchant or bank failed to submit the requested documentation. This will not preclude a new investigation at a later date.
- Note: A timely manner as described above will normally mean 30 business days unless otherwise approved by the unit supervisor or higher authority in the chain of command.

### *Counterfeit Crimes*

- Reports received will be reviewed for linkages to other investigations and or suspects familiar to the investigators.
- When a linkage is established, the report will be assigned to the detective investigating the related case(s).
- When no link is established, the report will be entered into the database to compile information for future cases.
- When a merchant or bank has obtained the required information, establishing an identifiable suspect and providing active leads to pursue, the case will be assigned in the normal manner.
- Absence of the essential information necessary to progress a report, an investigation will not commence and a detective will not be assigned the case until relevant solvability factors exist and the report is reviewed by the unit supervisor and assigned, based on available resources.





### *Forgery Procedures*

- Forgery investigations absent sufficient identifying information, i.e., AFIS hit, fingerprint, photograph, or similar lead, will not be assigned a detective for investigation.

In support of OBJECTIVE #2, the Gahanna Police will require banks and merchants to obtain an inkless fingerprint on checks prior to any investigation.

### **OBJECTIVE 3: Networking and Information Sharing**

- The Economics Crime Unit seeks to build alliances with others interested or affected by the investigations conducted within our unit.
- Suspect information attained by investigations will be made available to the victim, bank and merchant fraud investigators as well as investigators from other local, state and federal agencies.
- Training will be offered to businesses and banks to improve awareness of current trends and technologies available to prevent fraud schemes.

In support of OBJECTIVE #3, the Economic Crimes Unit and C.O.P. Officers will utilize the Internet and enhance liaisons with merchants and banks to focus on reducing crimes associated with frauds and forgeries.

### **OBJECTIVE 4: Alternative approaches to resolving financial crimes.**

#### **Civil Resolution Procedures**

- Agencies able to provide victim assistance will be identified and the information provided to victims.

In support of OBJECTIVE 4, the Economic Crimes Unit will maintain partnerships with victims and outside resources to enhance the rate of success in the area of financial crime investigations.

### *Program Management*

The management of assigned reports, the experience of assigned detectives and the cooperation of other agencies will determined the success or failure of the Economic Crimes Unit. Failure in any category can translate to the failure of the unit. Management of assigned cases is perhaps the most critical function to success.

Reports are being forwarded to the unit in record proportions. Management of the reports is a primary function of the unit's supervision. A filing system for reports is essential to the sharing of information and the tracking of case progression. Computer database information is the key component to investigating a case in a timely manner and ensuring that follow-up is conducted. The objectives and their accompanying strategies as described in this document are elements of the Economic Crimes Unit's overall plan to combat financial crimes impacting citizens of Gahanna.





## Favorite Places for a Criminal to Obtain Your Checks



Burglarizing your home.



Auto break-ins.



Postal Theft - removing contents from your mailbox ("Mailbox Shopping")



Stealing from a purse or desk at work.



Stealing from a locker at a health club.



Taking personal information or account information from your trash at home or at work.



## Types of Check Fraud

- Counterfeit Check:** A fraudulent check usually made with the aid of a home computer and printer
- Check Washing:** A legitimate check, chemically washed and rewritten, usually making the perpetrator the payee or endorsed to a grocery store or variety store and signed by the perpetrator, using the owner's name.
- Check Kiting:** The process of depositing a bad or counterfeit check into a bank account and then depositing a check, from that first account, into a second bank account without sufficient funds to cover either deposit.
- Closed Account Fraud:** Checks are written against closed accounts, and deposited into new accounts at a different bank. Because of "float time" (the time it takes transactions to go from bank to bank) funds are withdrawn before The closed account information catches up with the withdrawal.
- Forged Signature:** Legitimate blank checks with an imitation of the payer signature.
- Forged Endorsements:** Often involves the use of a stolen check, which is then endorsed and cashed or deposited by someone other than the payee.
- New Account Fraud:** False information is used to open a new bank account. Several transactions are made to observe the banks procedures. Shortly after opening the account counterfeit or stolen checks are deposited and a substantial withdrawal is made before the bank can verify the information.



## What Citizens Can Do to Avoid Check Fraud

- **Do not put bills/payments in residential mailboxes.** Not only will the thief get your outgoing checks, but most likely they will get enough of your information to commit identity theft.
- **Make sure you receive your checks back from your bank.** The police will need the original check to prosecute the offender if there is a forgery from your account.
- **Store your checks, deposit slips, bank statements and canceled checks in a secure and locked location.**
- ***Never leave your checkbook or wallet in your car!***
- **Use a felt tip permanent marker to write checks.** Ball point pens wash easily. If you prefer ball point pens, press firmly enough to leave an impression in case the check is chemically washed.
- **When ordering checks, ask about new security features.** There is check paper available that when chemicals are applied, "void" will appear on the check.
- **Limit the amount of personal information on your check.** Do not have your Social Security, driver's license or telephone number printed on your check. (This information can be used by a criminal to steal your identity, apply for credit cards, or even open a new checking account).
- **Destroy checks for unused or closed accounts by shredding or burning completely.** Notify the bank to close the account. Don't simply stop using the account.



## Combating Check Fraud for Businesses

- Establish a check acceptance policy detailing acceptable forms of ID, required information and dollar limits and make no exceptions to the policy. Fraud artists are skilled at creating hassles or confusion that can leave businesses stuck with a bad check. If a customer creates a scene because you won't take their check, call the police. That is a red flag that something is wrong.
- When accepting a check, make sure a name, address and phone number are printed on the check and the written and numeral dollar amounts correspond.
- Pay attention to the "feel" of the check. Most check paper has the same weight and texture.
- Watch the check-writer sign the check. If you didn't watch them sign it, don't take it. If the signature is illegible, have the customer print their name below the signature.
- **Never accept an ID number pre-written on a check. Personally handle and inspect the ID.**
- Compare the signatures, photo and physical description of the ID with that of the check writer.
- Check the driver's license. It should be smooth all over with no ridges, which indicates an alteration or modification. Verify that the ID is still valid.
- Ninety percent of returned checks have low check numbers (100 to 500). While low check numbers indicate a recently opened account and a potentially riskier check, particularly for businesses or dba (doing business as) checks, that is not always the case.
- More useful information on the check is the account's opening date (month and year), usually indicated by four numbers to the side of the account holder's name and address.
- Don't accept second-party or third-party checks (checks not made out directly to your store).
- The four-digits following the magnetic ink character recognition (MICR) number at the bottom of the check should match the four-digit number at the top right hand of the check.
- All checks, except government checks, should have a perforation along one side of the check.
- Examine the company name, address and zip code. Are they in the Columbus area? Does the zip code correspond? Is the phone number listed or is it a cell number?
- Examine the "pay to the order of" name. Does it exactly match the name on the ID? Was the endorsement spelled correctly? (Fraudulent checks often contain numerous spelling errors.) Is the signature legible?



We strongly recommend that merchants use bank services such as ***“Positive Pay”***, or other similar automated account reconciliation programs. This service has become increasingly critical to protect against fraud by allowing your company to better monitor and detect unusual or unauthorized disbursement activity. It works by comparing paid items against issue information to determine any discrepancies and stop unauthorized activity in your account. Additionally, some banks are offering an enhanced version of ***Positive Pay*** that compares authorized payees to the checks presented, further detecting possible fraud.

## **Fake Identification What to Look For and What to Record**

**Was the ID issued in the past 30 days?** If so, this should be a red flag.

**Examine the picture on the ID.** Does it really look like the person presenting the check or merely resemble the person? Does the physical description given match the presenter, i.e., height, weight, etc?

**Is the signature and photo on the ID legible or distressed?** Many ID's that are look-a-like ID's have the pictures and signatures very worn or scratched to hide imperfections.

**Do not accept old plastic laminated ID's.** They are no longer used or issued.

**Does the front of the ID feel “flat”, like “magic tape”, or does it feel shiny like the back of the ID?**

**Does the font or style of printing on the ID all match or does some type look different than the rest?**

**Feel around the edges and see if it can be “peeled” back.** Many ID's have a one piece tape layover with the false information “laid over” the appropriate spaces, which have the true information deleted.

**Does the entire face of the ID appear fuzzy?** It should be crisp and clear.

**Does the ID contain a hologram?**

**Does the ID feel too thick, like a paper layover has been taped on top of the original?**

**If you feel uncomfortable for any of the above reasons, ask the presenter for another piece of identification.** If the ID is legitimate, a second piece of ID should be no problem. When in doubt, decline the check. As long as it is not for prejudicial reasons, you have the right to decline a check or credit card that you feel may not be legitimate. If the customer gets loud or tries to cause a scene, don't get intimidated into taking a check based on identification you are not comfortable with as being authentic. Ask the customer to leave and call the police.



## OBTAINING INKLESS FINGERPRINTS

Employees should practice using their own fingers or co-workers fingers' to become familiar with fingerprint impressions. Complete impressions are important.

### Desired Prints

Attempt to get full right thumbprints. The customer should press **straight down** with the flat part of the right thumb, square with the paper. If the right thumb is missing, injured, bandaged or scared, use the left thumb and indicate "L" next to the print on the check.

Avoid "tip" prints or side prints by physically watching the customer give their impression. If it is a fraudulent check, the cashier will often times try to smudge the print or give just the end or "tip" of the thumb or finger which is not identifiable. If you are not happy with the print, ask for a second print.

Be cautious if there are two people present when taking a print. If the check is fraudulent, the cashier will sometimes bring along someone who does not have a criminal history or is a juvenile and have them place their fingerprint on the check while the cashier is not paying attention. The benefit is that their fingerprint will not be on file with AFIS (Automated Fingerprint Identification System).

Place the fingerprint on the back of the check, if possible. There is usually less printing on the back and it has a blank background so as not to interfere with the lines in the print.

It is required by policy that merchants and banks take prints on all presented checks. It is not, however, required by law. If a merchant or bank chooses not to require their customers to provide their print on a document, it is with the understanding that the Gahanna Division of Police, acting under the guidelines of the Franklin County Prosecutor's Office, will not investigate such case, should the document be fraudulent.



## RESOURCES

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Economic Crimes Investigator

[Jeff.Spence@gahanna.gov](mailto:Jeff.Spence@gahanna.gov)

Bureau of Standards & Investigations  
Commander

[Dennis.Murphy@gahanna.gov](mailto:Dennis.Murphy@gahanna.gov)

Chief of Police

The National Fraud Information Center

[www.fraud.org](http://www.fraud.org)

(800) 876.7060

The Internet Fraud Complaint Center

[www.ifccfbi.gov](http://www.ifccfbi.gov)

The National Check Fraud Center

[www.ckfraud.org/faq.html](http://www.ckfraud.org/faq.html)

National Institute for Consumer Education

[www.emich.edu/public/coe/nice/hangup.html#](http://www.emich.edu/public/coe/nice/hangup.html#)

Identity Theft and Fraud  
US Department of Justice

[www.usdoj.gov/criminal/fraud/idtheft.html](http://www.usdoj.gov/criminal/fraud/idtheft.html)

Identity Theft

[www.identitytheft.org/](http://www.identitytheft.org/)

(800) 725-0807

Stolen Identity.com

[www.stolen-identity.com/](http://www.stolen-identity.com/)

ID Theft Resource Center

[www.idtheftcenter.org/](http://www.idtheftcenter.org/)

US Post Office

[www.usps.gov/websites/depart/inspect/](http://www.usps.gov/websites/depart/inspect/)

Inkless Fingerprinting

[www.crimebite.com](http://www.crimebite.com)

Social Security Administration

[www.ssa.gov/pubs/idtheft.htm](http://www.ssa.gov/pubs/idtheft.htm)

Check Verification Companies

Checkrite

(800) 766-2748

Chexsystems

(800) 428-9623

Equifax

(800) 437-5120

National Processing Company

(800) 5226-5380

SCAN

(800) 262-7771

National Credit Reporting Agencies

Equifax

(800) 525-6285

Experian

(888) 397-3742

TransUnion Corporation

(800) 680-7289





## **GAHANNA DIVISION OF POLICE CASE SCREENING PROCEDURES PASSING BAD CHECKS**

### **SECTION 1**

#### **INTRODUCTION**

The Gahanna Ohio Division of Police Detective Bureau has revised the process for handling dishonored checks. Section 2 of this document outlines the process investigating detectives are to follow when assigned a Bad Check Report.

When a citizen or employee of a local merchant requests that a report be completed for Passing Bad Checks, the officer assigned to the call will promptly complete the requested report. The report will be entered into the department database and then forwarded to the Detective Bureau for assignment. The reporting officer will provide the reporting person with the Offense Report number.

The Officer will complete the checklist on the Bad Check Requirement form at the time of reporting. If each applicable item is marked YES, the Offense Report will be assigned to a Detective.

When any item on the Bad Check Requirement Form is marked NO, the report will be marked "UNFOUNDED" (based on Detective Bureau Standard Clearing Procedures). The victim is to be notified that the Detective Bureau will not investigate the report. The reporting person will be advised how to obtain a copy of the report should they desire to report the incident to another agency of their choice for *civil* resolution.

An example of deviating from this policy is when an individual can be identified as engaging in a common course of conduct to defraud multiple victims by recklessly passing bad checks at multiple locations and for multiple dollar amounts. Refer to ORC 2913.61 (C) (2).

#### **OBJECTIVE**

The Gahanna Ohio Division of Police Detective Bureau will aggressively pursue criminal investigations when the case presented is capable of being solved in a manner consistent with the scrutiny of a court-worthy case. Investigations where the nature of the allegation can be substantially proven through physical evidence, eyewitness testimony and victim/witness cooperation and participation will be thoroughly investigated and criminal charges pursued.



Investigating detectives in the Economic Crimes Unit, during the course of an investigation, often learn the true identity of the person responsible for the crime being investigated. Learning the true identity of a person responsible must not be mistaken with the ability to prosecute the same person because strict *Rules of Evidence* apply in criminal proceedings. Persons arrested are almost immediately released on their own recognizance or a generously low appearance bond. The case is then dismissed for future indictment pending review by the Franklin County Grand Jury.

Based on a historical records of charges filed and cases progressed through the Franklin County Courts, the Objective of this Unit must reflect the system of checks and balances in place and outside our control. It is not the policy of this office to file criminal charges against an individual for the sake of filing charges simply because probable cause exists in the mind of the investigator.

## POLICY

The Economic Crimes Unit Supervisor or high ranking official in the chain of command may dictate the course of an investigation contrary to the spirit of this Unit Objective based on objective facts and observations.

## SECTION 2

### REQUIREMENTS

#### *CHECK CATEGORIES CONSIDERED CIVIL IN NATURE RATHER THAN CRIMINAL*

The following types of checks are presumed to be **civil** rather than criminal and will not be investigated:

1. Payroll checks (not including forged or counterfeit)
2. Third-party checks
3. Post dated checks
4. Bearer paper checks
5. Checks written for rent
6. Checks written on a company account (not including forged or counterfeit)
7. Checks not written for goods or services (i.e. a gift)
8. Checks written for payment on an installment contract
9. Checks dishonored for uncollected funds, stop payment or held funds
10. Checks presented for payment more than 30 days after the check was issued
11. Checks written for a pre-existing debt (partial payment on debt previously made and accepted)
12. Checks that have been included as part of a bankruptcy proceeding prior to filing of criminal charges (Refer to USC Title 11 – Bankruptcy)



Under Ohio Law, writing a check which is later dishonored by the bank that it is written on is not a criminal matter unless the check writer intended to defraud the person who accepted the check **at the time it was written**. Ohio Law presumes intent to defraud in the following situations:

1. The check is written on a closed account
2. The check is dishonored for insufficient funds, and,
  - a) The check was presented for payment within 30 days after the check was written, and
  - b) The check writer is notified of the check's dishonor and fails to make the check good within 10 days after such notice.

## SECTION 3

### PREREQUISITES FOR PROGRESSING PBC REPORTS

The original check; and

The check must contain the following information:

- Ø Check number.
- Ø Amount check was written for. Must be \$500.00 or greater for a single check.
- Ø Account number and bank name on check.
- Ø Date written.
- Ø Date presented.
- Ø Readable Name of check writer.
- Ø Current address of the check writer at time the check was presented.

For Merchants:

- Ø Ohio driver's license or Ohio Identification Card number **as written by cashier/clerk**.
- Ø Identification of person accepting check/approving receipt of check.
- Ø Witness Certification form completed.
- Ø Proof of 10 Day Notice being mailed and received by check taker (Receipt required).
- Ø The Check must contain an inkless fingerprint.



## AUTOMATIC EXCEPTIONAL CLEARING OF REPORT

- Ø Check is received more than 6 months from the date presented.
- Ø Absence of Witness Certification.
- Ø Failure of victim or banking institution to provide all requested documentation in a timely manner.

## DISMISSAL OF STALE CHARGES

Delay in serving a Summons or Warrant and bringing the case to court is particularly acute in a bad check charge case. Addresses for the defendant are often fictitious when the check is written. There is an inherent delay in filing of charges as the merchant attempts to resolve the matter "in-house". As a result, Bad Check Charges are likely to be on file for a considerable amount of time before the defendant is arrested or comes to court on their own, beginning to progress the case through the Criminal Justice System.

It is an old maxim in criminal law that the longer a charge is pending, the harder it becomes for the prosecution to prove their case. Witnesses die, move away and memories fade. Detectives transfer to other units or retire. Physical evidence deteriorates. Bank records are generally not maintained beyond five years.

At a certain point a filed bad check case which has not been served via summons or warrant becomes too stale to effectively prosecute. In recognition of that fact, the following policy will be instituted:

Filed bad check charges will be dismissed because of staleness after five years without the defendant being served. (This does not apply to defendants who have been served and fails to appear).

## ORC SECTION 2913.11 PASSING BAD CHECKS

### Elements:

- Ø Issue, transfer or cause to be issued or transferred,
- Ø Any check or other negotiable instrument,
- Ø Knowing it will be dishonored.
- Ø With purpose to defraud.

### PENALTY:

- Ø A misdemeanor of the first degree. (Refer to Prosecutor's Office)
- Ø If value is \$500 or more and less than \$5,000, a Felony of the Fifth degree.
- Ø If value is \$5,000 or more and less than \$100,000, a Felony of the Fourth degree.
- Ø If value is \$100,000 or more, a Felony of the Third degree.



## City of Gahanna Division of Police Fraudulent Check Investigative Policy

The Gahanna Division of Police will accept all fraudulent check cases turned over for investigation. However, due to the ever increasing demands for departmental resources, in the cases where checks do not meet the following criteria, they will simply be filed for future use and no investigation will be conducted.

1. The Check must be issued in Gahanna, or be part of a run of checks where one of the checks was issued in Gahanna.
2. The check must be issued as legal tender for services or merchandise.
3. Insufficient funds checks and closed account checks (PBC) must be a least \$500.00 unless inkless fingerprints are present or identity is established.
4. The check must be received by the police department no later than 6 months after it was issued.
5. A registered letter, with a return receipt, must be mailed to the issuer by the complainant prior to turning it over to the police department. The letter must outline the law in Ohio regarding **bad checks**, not counterfeit. The letter, in its entirety, must accompany the original check when it is submitted to the police department for investigation.
6. A Gahanna Police Department Check Information sheet must be completed by the complainant.
7. The person who accepted the check must be able to identify the issuer.
8. The check may not have been post dated.
9. The check may not be drawn on an out of state bank unless the complainant is willing to pay the cost and expenses associated with obtaining all pertinent records and bringing the out of state bank's bookkeeper to court and so states in writing.
10. The check may not be included in a bankruptcy proceeding.
11. No check will be accepted where partial payment has been accepted.
12. The check may not have been received through the mail, making identification difficult.
13. No check will be investigated where the complainant took and held the check at the request of the issuer or passer for a period of time before it was presented at the bank.
14. No check will be investigated where it is marked "payment stopped" unless the check was drawn on a non-existent account.
15. No third-party checks will be investigated (i.e. written to one person who in turn endorses it to the complainant).
16. Multiple checks (issued by the same issuer) where the collective amount meets the minimum requirement, will be investigated.
17. The check writer's information must be included on the front of the check to include an Ohio driver's license number or State ID number, **written by the clerk**.
18. Checks must have an inkless fingerprint on them, if negotiated at a business.
19. No check will be accepted that is the result of an electronic transaction, i.e., internet or phone lines or an electronic scan, such as **NOVA**, where the check face is not written and the check is returned to the presenter at the time of purchase.



**Gahanna Division of Police  
Economic Crimes Unit**

**WITNESS CERTIFICATION**  
(Person who accepts check)

I, \_\_\_\_\_ certify that I accepted check # \_\_\_\_\_ written on account # \_\_\_\_\_, from account owner \_\_\_\_\_ and that I made a visual comparison between the Drivers License/State ID card and the person who wrote the check. I verified the check writer's address and physically saw the person presenting the check, write and sign the check. I made a photocopy of the identification card presented by the check writer. I observed the presenter place their thumbprint on the check.

Signature of check recipient \_\_\_\_\_  
Printed name of check recipient \_\_\_\_\_  
Company Representative of \_\_\_\_\_  
Current home address \_\_\_\_\_  
Work Phone \_\_\_\_\_  
Home Phone \_\_\_\_\_

**Third Party Witness Certification**

I, \_\_\_\_\_ certify that I have spoken with the above listed person who accepted check # \_\_\_\_\_, written on account # \_\_\_\_\_ from owner \_\_\_\_\_, and that this person states a visual comparison between the Driver's License/State ID and the person who wrote the check was made. The check writer's address was also verified and this person observed the presenter place their thumbprint on the check.

Signature of third-party witness \_\_\_\_\_  
Printed name of third party witness \_\_\_\_\_  
Company representative of \_\_\_\_\_  
Current home address \_\_\_\_\_  
Work phone \_\_\_\_\_  
Home phone \_\_\_\_\_



## Gahanna Division of Police Dishonored Check Requirements

YES	NO

The check(s) were written for goods or services.  
The check(s) are counterfeit or  
The check(s) were dishonored because of insufficient funds or closed account.  
The check(s) were written within 6 months of today's date.  
The Witness Certification Form has been completed.  
The check(s) were presented to the bank within 30 days of receipt.  
The copy of certified mail notice of dishonor is attached. (For private filings)  
The check(s) are drawn on a local bank or I have copies of the bank's records.  
The check(s) are not included in a bankruptcy proceeding.  
The check(s) have an identification number on them, written by the clerk/cashier.  
The check(s) have an inkless fingerprint on them if passed as a business.  
The check writer has not made partial restitution.

IF THE ANSWER IS **NO** TO ANY OF THE ABOVE, FILING OF CRIMINAL CHARGES WILL NOT BE APPROVED.

Date:
Officer/Detective Completing Report:
Return to Merchant for the following:

Approved for filing of criminal charges:	Yes	No
Report to be cleared for following reasons:		
Detective Assigned Report:	Date:	
Supervisor's Signature:	Date:	





## DIVISION DIRECTIVE

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### PASSING BAD CHECKS/FORGERY

1. When an officer receives a complaint of a bad check, the complainant will be advised that the guidelines in G.C.O. 549.09 must be met.
  - A. A complainant must send a notice by certified mail to the last known address of the person who wrote the check. This notice must state that the person has ten (10) days to make restitution, or formal charges will be filed.
  - B. After the ten-day period, the complainant can then come to the Police Department with a copy of the notice so that formal charges can be filed.
2. All misdemeanor affidavits must be filed and clerked with the Clerk of Courts before being served.
3. All on-view arrests will be thoroughly investigated and processed regardless of dollar loss.
4. Reports will be taken regardless of the dollar amount. Reports involving a dollar loss of \$500.00 or less will not be assigned to a detective unless the questioned document is the original document and includes an inkless fingerprint of the person presenting the document.
5. The exception will be a report that can be logically linked to other reports already being investigated based on account number, account name and verifiable suspect information.
6. Criminal charges for an Identity Theft will typically be filed only in conjunction with an accompanying charge, i.e., forgery.
  - A. When a report is made involving the theft of a person's identity the victim will be responsible for obtaining or arranging for the original documentation to be sent to our department.
  - B. Receipts for items released to officers or investigators will be available upon request by merchants or banks for all property turned in for evidence.
  - C. Should an Identity Theft victim, merchant or bank fail to submit the requested documents in a timely manner, the investigation will be closed. (A timely manner will normally mean thirty (30) working days, unless approved by the Bureau Commander.)
  - D. Victims will be given a copy of the department's Identity Theft brochure.



7. All complainants will be advised of the collection procedure and that court cost cannot be waived.
8. After a suspect has been arrested on a charge of Passing Bad Checks or Forgery, two handwriting samples will be completed by the person. The subject should write their name, Social Security Number and numbers 1 through 10 on each form as indicated by the "Our London Letter" form.
9. If no arrest for Passing Bad Checks or Forgery is made at the scene of a business, a report will be taken and the **original** document impounded. If the check does not contain an Ohio driver's license number or State ID number, written by the clerk, and the check does not contain an inkless fingerprint, the case will not be assigned to a detective.
10. Forgery cases with a loss of below \$500.00 without an on-view arrest, photograph of the suspect, inkless fingerprint, or a link established to other investigations will not be assigned to a detective until reviewed by the unit supervisor or designee and a decision is made in regard to adequate resources available.

#### 549.09.1 **PASSING BAD CHECKS**

- (a) No person, with purpose to defraud, shall issue or transfer or cause to be issued or transferred a check or other negotiable instrument, knowing that it will be dishonored.
- (b) For purpose of this section, a person who issues or transfers a check or other negotiable instrument is presumed to know that it will be dishonored, if either of the following occurs:
  - (1) The drawer had no account with the financial institution at the time of issue or the stated date, whichever is later.
  - (2) The check or other negotiable instrument was properly refused payment for insufficient funds upon presentment within thirty days after issue of the stated date, whichever is later, and the liability of the drawer, endorser or any party who may be liable thereon is not discharged by payment or satisfaction within ten days after receiving notice of dishonor.
- (c) For purposes of this section, a person who issues or transfers a check, bill of exchange or other draft is presumed to have the purpose to defraud if the drawer fails to comply with Ohio R.C. 1349.16 by doing any of the following when opening a checking account intended for personal, family or household purposes at a financial institution:
  - (1) Falsely stating that the drawer has not been issued a valid driver's or commercial driver's license or identification card issued under Ohio R.C. 4507.50;
  - (2) Furnishing a license, card, or another other identification document that contains false information;
  - (3) Making a false statement with respect to the drawer's current address or any additional relevant information reasonably required by the financial institution.
- (c) Whoever violates this section is guilty of passing bad checks, a misdemeanor of the first degree. If the check or other negotiable instrument is for payment of five hundred

dollars (\$500.00) or more, passing bad checks is a felony and shall be prosecuted under appropriate State law. (ORC 2913.11)



Economic Crimes Unit Gahanna Division of Police Detective Bureau

## OTHER RESOURCES

The information contained in this guideline was completed with the assistance of the Columbus Division of Police Fraud and Forgery Unit. It is from their policy that the Gahanna Police were able to springboard this document.

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----Detective Barbara J. Cannon  
Gahanna Police

Federal Bureau of Investigation

Essex Vermont Police Department

ACOM Solutions, Long Beach, CA

Ernst & Young

National Check Fraud Center

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